

STATEWIDE BENEFITS OFFICE
SPOUSAL COORDINATION OF BENEFITS
FREQUENTLY ASKED QUESTIONS

The complete Spousal Coordination of Benefits Policy is available at www.ben.omb.delaware.gov/documents/cob.

1. ***How long has the Spousal Coordination of Benefits policy been in effect?***
 - A. The Spousal Coordination of Benefits Policy (“the Policy”) was established by the State of Delaware on January 1, 1993.
2. ***What is the purpose of this policy?***
 - A. The policy was established to ensure that employers share in the cost of providing health care coverage for employed spouses of State of Delaware employees.
2. ***Must spouses who are required to enroll in their employer health care benefits be dropped from coverage under the State of Delaware Plan?***
 - A. No, you may keep your spouse on your State of Delaware with secondary coverage.
3. ***What do you mean by primary and secondary coverage?***
 - A. Primary coverage is the benefit plan that will pay first when claims for health care services are submitted. Secondary coverage processes payment, according to its own rules, for claims submitted after the primary coverage pays. For example, if your spouse is enrolled in employer benefits, those benefits are primary and will pay first; any remaining claim amount will be submitted to your State of Delaware coverage for processing at the secondary level.
4. ***What if my spouse has a deductible on the employer’s plan?***
 - A. Generally, your state of Delaware coverage will pay for claims (less any copay) that are not covered while your spouse meets the deductible.
5. ***What happens if my spouse does not enroll in health care coverage offered through his or her company?***
 - A. Your spouse’s coverage under your State of Delaware plan will be sanctioned and reduced to 20% of the normal coverage. For example, if the plan would normally have paid \$100 for a health care service, only \$20 would be paid for that claim and the employee would be responsible for the remaining \$80. In addition, your spouse would be required to pay the entire cost when filling any prescription, and could then file a paper claim to the pharmacy benefit manager for reimbursement of 20% of the normal coverage. For example, if the medication cost is \$120 at the pharmacy, and the copay is \$20, you would be reimbursed for 20% of the \$100 normally covered, or \$20.

6. ***What if my spouse's health care coverage is not very good and is expensive for us?***
 - A. The Policy does not address the level of coverage offered by an employer. As long as your spouse pays 50% or less of the premium for the least expensive, employee-only coverage, he or she must enroll and maintain enrollment in that health care coverage.
7. ***What is the Spousal Coordination of Benefits Form and when do I need to complete it?***
 - A. The form is used to determine whether your spouse is in compliance with the Spousal Coordination of Benefits Policy. If you cover a spouse on a State of Delaware health care plan, the Spousal Coordination of Benefits Form is **required** (1) when you initially enroll your spouse; (2) every year during Open Enrollment; and (3) within 30 days of when your spouse has a change in employment or healthcare coverage through an employer. If you are an active employee, you must complete the Electronic Spousal Coordination of Benefits Form available at www.ben.omb.delaware.gov/documents/cob. If you are a pensioner or you are employed by a group that participates in the State of Delaware Group Health Insurance Plan, the electronic form is still preferred, but you are permitted to complete a paper form available through the Pension Office or your Human Resources representative.
8. ***If my spouse was not covered on my State health care plan, but loses employment or the employer no longer offers coverage, do I complete the Spousal Coordination of Benefits Form to add my spouse to my coverage?***
 - A. The form is required, but will not actually add your spouse to coverage. You will need to contact your agency or department benefits representative to make this enrollment change. Please be sure to include the date your spouse's other coverage ended on the form.
9. ***What if my spouse just started a new job and has a waiting period before qualifying for company health care coverage?***
 - A. When you complete a new Spousal Coordination of Benefits Form, you should indicate in the "Comments" section that there is a waiting period, and you should specify when your spouse's coverage will be effective. (For example: "Spouse began new job on January 1, 2010, and has a waiting period. His health care coverage will begin on April 1, 2010.") The Statewide Benefits Office may require verification of this information from the employer and will contact you to provide this documentation if needed.
10. ***What does the form mean by the % my spouse would pay, and how do I get that information?***
 - A. You need to enter the percentage of the premium that your spouse would pay for the least expensive, employee-only plan offered by the employer. The company's Human Resources Office should be able to provide you with this information. For example, if the employer pays \$500 per month for the coverage, and your spouse pays \$100 per month, the percentage is 20%. The Statewide Benefits Office may require verification of this information from the employer and will contact you to provide this documentation if needed.

11. ***When would my spouse NOT be required to enroll in company healthcare coverage?***

- A. There are several exceptions to the policy that a spouse must enroll in healthcare coverage through the employer. The spouse is not required to enroll in company coverage:
- If the employer does not offer health care benefits to its employees.
 - If the spouse would pay more than 50% of the premium for the least expensive employee-only plan.
 - If the spouse does not work full-time.
 - If the spouse is self-employed. (Note: This exception does not apply if the spouse is the owner or a partner of a company that offers benefits to employees and pays at least 50% of the premium for most employees, even if the owner or partner pays 100% of the premium.)
 - If the spouse is retired and has retiree health care coverage through former employer. If the spouse works outside the State of Delaware and the company offers only an HMO plan with no State of Delaware providers.

12. ***What happens if my spouse qualifies for an exception as listed above?***

- A. You may be required to provide verification of the situation from your spouse's employer. If so, you will receive a letter from the Statewide Benefits Office and will need to submit a letter from your spouse's employer on company letterhead verifying the information you have indicated on your form. The letter must also include a contact name and phone number, and must be submitted within 30 days of the date of the letter.

11. ***What is the high-deductible plan with a Health Savings Account (HSA) referenced on the Spousal Coordination of Benefits Form?***

- A. This is a very specific type of benefit that is covered by IRS regulations. Please click on the link in the form or see the information on the Statewide Benefits website at www.ben.omb.delaware.gov/documents/cob for details.

12. ***Does the Spousal Coordination of Benefits Policy also apply to Dental and Vision Coverage?***

- A. No. This policy applies only to health care coverage, because the State of Delaware pays a significant portion of the premium for your health care plan. The State does not contribute toward the premium for dental and vision care.